

The background of the slide features a repeating damask pattern in a light blue color on a slightly darker blue background. The pattern consists of stylized floral and foliate motifs.

**KENTUCKY EMPLOYEES'
HEALTH PLAN**

RETURN TO WORK (RTW) RETIREES

WHAT IS A RTW RETIREE?

For the purposes of this training only:

- A “retiree” is a present recipient of a retirement allowance from one of the retirement plans administered by the Kentucky Retirement Systems (KRS) or the Kentucky Teachers’ Retirement System (KTRS).
- A RTW Retiree is a retiree who resumes active employment with an employer participating in the Kentucky Employees’ Health Plan (KEHP).

RIGHTS OF RTW RETIREES

- As with new employees, all RTW Retirees are entitled to health insurance coverage through their active employer.
- An employer may not deny a RTW Retiree KEHP coverage.
- All RTW Retirees are required to contact their retirement system before they begin active employment.

HEALTH INSURANCE COVERAGE OPTIONS FOR RTW RETIREES

- In some situations, a RTW Retiree is **required** to take KEHP health insurance coverage rather than benefits offered through the retiree's retirement system.
- In some situations, a RTW Retiree **may have a choice** to receive KEHP health insurance coverage through the active employer or through the retirement system.
- The **age** of the RTW Retiree is an important factor in determining health insurance coverage options available to the RTW Retiree. (i.e. Medicare eligibility at age 65).
- KRS and KTRS sometimes have different rules and requirements regarding health insurance coverage for RTW Retirees.

KTRS: COVERAGE RULES

UNDER and OVER AGE 65

KTRS RTW Retiree Health Insurance Coverage Rules:

- Apply to retirees at any age (over and under age 65);
- Apply if the RTW Retiree is “regularly employed” and eligible for health insurance with the active employer [KRS 18A. 225(1)];
- Apply whether the retiree is covered by KEHP or by a KTRS plan that supplements Medicare coverage

KTRS: GENERAL RULE

UNDER and OVER AGE 65

General Rule: If you are a RTW Retiree who is employed by an agency that participates in the KEHP and you are eligible for health insurance, you must terminate coverage through KTRS.

- If you are a RTW Retiree who is employed by an agency that does not participate in the KEHP, but you are eligible for health insurance through that employment, you must terminate KTRS coverage unless that coverage is not as good as KTRS coverage. The RTW Retiree may be asked to certify this information.
- Once a RTW Retiree terminates employment or loses eligibility for insurance through the active employer, the retiree must contact KTRS within the qualifying event period (usually 30 days) to re-enroll and provide the required documentation.
- A RTW Retiree is not eligible for a contribution for health insurance from the active employer and a contribution from the retirement system. [See, KRS 18A.225(12)]

KTRS: COVERAGE OPTIONS

Health Insurance Coverage Options for the KTRS RTW Retiree:

- The RTW Retiree must waive coverage through KTRS (either KEHP coverage or coverage that supplements Medicare) if the RTW Retiree is eligible for the KEHP coverage.
- The RTW Retiree may enroll in the KEHP coverage through the active employer.

If the RTW Retiree does not want KEHP health insurance coverage through the active employer because they have other health insurance coverage (i.e. through a spouse's employer):

- The RTW Retiree may waive coverage through the active employer and enroll in the Waiver General Purpose HRA if the RTW Retiree has other group health insurance coverage. The other group health insurance coverage cannot be Medicare.
- The RTW Retiree may waive coverage through the active employer and enroll in the Waiver Dental/Vision Only HRA or no HRA.
- Note: The active employer must participate in the employer-funded waiver HRA program for the RTW Retiree to choose either the Waiver General Purpose HRA or the Waiver Dental/Vision Only HRA

KRS: GENERAL RULE

UNDER AGE 65 AND/OR NOT MEDICARE ELIGIBLE

General Rule (Under Age 65): The RTW Retiree may select KEHP health insurance coverage either through KRS or through his/her active employer.

- The ability for the RTW Retiree to retain KEHP health insurance coverage through KRS depends on the retiree's KRS participation date.
- A RTW Retiree is not eligible for a contribution for health insurance from the active employer and a contribution from the retirement system. [See, KRS 18A.225(12)]

KRS: COVERAGE OPTIONS

UNDER AGE 65 AND/OR NOT MEDICARE ELIGIBLE

Health Insurance Coverage Options for the KRS RTW Retiree:

- The RTW Retiree with a KRS participation date before September 1, 2008, may remain in KEHP through KRS and waive KEHP coverage through the active employer without an HRA.
- The RTW Retiree with a KRS participation date on or after September 1, 2008 is not eligible to elect KEHP coverage through KRS and must enroll in KEHP coverage through the active employer.
- Note: If the RTW Retiree selects KEHP coverage through KRS, the active employer must reimburse KRS for the contribution made for single coverage health insurance for the RTW Retiree. [KRS 61.637(17)(d)4].

If the RTW Retiree does not want KEHP health insurance coverage through KRS or the active employer because they have other health insurance coverage (i.e. through a spouse's employer):

- The RTW Retiree may waive KEHP coverage through the active employer and enroll in the Waiver General Purpose HRA if the RTW Retiree has other "group" health insurance coverage. The other group health insurance coverage cannot be Medicare.
- The RTW Retiree may waive KEHP coverage through the active employer and enroll in the Waiver Dental/Vision Only HRA or no HRA.
- Note: The active employer must participate in the employer-funded waiver HRA program for the RTW Retiree to choose either the Waiver General Purpose HRA or the Waiver Dental/Vision Only HRA)

KRS: GENERAL RULE

OVER AGE 65 AND/OR MEDICARE ELIGIBLE

General Rule (Over Age 65 and/or Medicare Eligible): A Medicare eligible retiree who returns to active employment is not eligible to participate in coverage provided by KRS that supplements the employee's Medicare coverage.

- Medicare eligible RTW Retirees must terminate enrollment in the KRS supplemental Medicare plan.

KRS: COVERAGE OPTIONS

OVER AGE 65 AND/OR MEDICARE ELIGIBLE

Health Insurance Coverage Option for the KRS RTW Retiree:

- Medicare eligible RTW Retirees are not eligible for coverage under the KRS supplemental Medicare plan, and such coverage will be terminated upon notification of re-employment to KRS.
- The RTW Retiree may enroll in KEHP coverage through the active employer.

If the RTW Retiree does not want KEHP health insurance coverage through the active employer because they have other health insurance coverage (i.e. through a spouse's employer):

- The RTW Retiree may waive KEHP coverage through the active employer and enroll in the Waiver General Purpose HRA if the RTW Retiree has other group health insurance coverage. The other group health insurance coverage cannot be Medicare.
- The RTW Retiree may waive KEHP coverage through the active employer and enroll in the Waiver Dental/Vision Only HRA or no HRA.
- Note: The active employer must participate in the employer-funded waiver HRA program for the RTW Retiree to choose either the Waiver General Purpose HRA or the Waiver Dental/Vision Only HRA)

INSTRUCTIONS FOR RTW RETIREES

- To ensure proper health insurance coverage, RTW Retirees should seek instruction from their retirement system before enrolling in or dropping coverage.
- RTW Retirees should contact their retirement system to obtain a written opinion before starting work in order to avoid any negative consequences to their monthly retirement benefit.
- In some rare situations where the active employer has fewer than 20 employees, a RTW Retiree who is Medicare eligible may be able to retain their supplemental coverage through KRS rather than enrolling in KEHP. The RTW Retiree should ask KRS for more information about this exception.
- If a RTW Retiree is instructed by KRS to inquire with Medicare representatives, the RTW Retiree must be sure to ask the proper question. KRS can provide instruction regarding a RTW Retiree's contact with Medicare.

KRS can be contacted at 502-696-8800 or toll free at 800-928-4646

KTRS can be contacted toll free at 800-618-1687